

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6888

BILL NUMBER: HB 2075

DATE PREPARED: Jan 8, 2001

BILL AMENDED:

SUBJECT: Golden Hoosier Discount Card.

FISCAL ANALYST: Kathy Norris

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FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		2,431,707	2,431,707
Net Increase (Decrease)		(2,431,707)	(2,431,707)

Summary of Legislation: This bill establishes the Golden Hoosier Discount Card program within the Division of Disability, Aging, and Rehabilitative Services. The bill allows residents who are at least 60 years of age or disabled to obtain a Golden Hoosier Discount Card and obtain discounts from participating organizations.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The fiscal impact of this bill is estimated to be \$2,431,707 annually, based on the experiences of the State of Ohio in implementing and administering the Golden Buckeye Program.

Background: The Golden Buckeye Program was implemented in 1976 before businesses and the AARP began to routinely offer senior discount programs. The Division of Disability, Aging, and Rehabilitative Services (DDARS) anticipates developing a program similar to the Golden Buckeye Program. Based on Ohio's experience, it is estimated that as many as 25,000 businesses may participate in the program. It is also estimated that approximately 1,087,000 individuals would be eligible to receive the Discount Card.

The bill specifies that the Golden Hoosier Discount Card is to include discounted entrance fees at Indiana

State Parks, recreation areas, reservoirs, forests, historic sites, museums, memorials, and other state properties at which a fee is charged for admission. The Department of Natural Resources runs the Golden Hoosier Passport Program (I.C.14-19-3-4) which provides a 50% discounted annual pass for persons age 65 and over and persons eligible for Social Security Disability payments. Depending on the discount arrangement with the Golden Hoosier Discount Card Program, the Department may experience some revenue loss due to one-time admissions to persons not wishing to purchase an annual pass. Depending on how the two discount programs might be combined, some minor administrative savings might be realized by the Department of Natural Resources.

The Division, (DDARS) estimates that 18 additional employees would be needed to implement this program. Two positions at the Division would be responsible for managing and coordinating the program. Additionally, one position would be located in each of the 16 Area Agencies on Aging. These employees would be responsible for contacting businesses to participate in the program and helping to determine the discount, as well as taking applications and issuing the Golden Hoosier Discount Card. The cost of salaries, fringe benefits, and indirect costs for these employees is estimated to be \$829,351.

Public relations, marketing, and a media campaign are estimated to cost \$515,000. The cost for developing and producing both the Discount Card and the decal that would be distributed to participating businesses is estimated to cost \$1,087,356.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration, Division of Disability, Aging, and Rehabilitative Services, The Department of Natural Resources.

Local Agencies Affected: Area Agencies on Aging.

Information Sources: Karen Kinder, Family and Social Services Administration, 232-5659; I.C.14-19-3-4 (Golden Hoosier Passport).